

**ABSTRACT**

A system and a method for tracking marketers/distributors of a digital product is provided, using a multi-level marketing business model, including the steps of storing user data associated with a plurality of registered users, wherein said user data includes a user identification code (userID) corresponding to each registered user of the plurality of users; transferring a data packet associated with the digital product by a registered user of the plurality of registered users to another user, wherein the data packet includes a watermark storing the userID of the registered user; and updating the watermark to include the userID of the registered user who transferred the data packet; and processing payment information corresponding to the registered user who transferred the data packet for effecting payment to the registered user for the sale of the digital product by the registered user to the user.